

# Identity Theft:

## What to Know. What to Do.

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[IdentityTheft.gov](https://IdentityTheft.gov)



# What Will Be Covered

- Overview
- Various types of identity theft: Tax, Medical, and Child ID Theft
- How you can help educate people about identity theft
- How to help yourself – and your clients – protect their personal information
- What to do if an identity thief strikes
- FTC's free resources
- Upcoming FTC conference, *Planning for the Future: A Conference About Identity Theft*



# Definition of Identity Theft

- Identity Theft is when someone uses personal information of someone else to pose as that consumer in order to:
  - fraudulently obtain goods or services in the victim's name from private and public institutions,
  - conceal their true identity from authorities or others who perform background checks.



# Scope of ID Theft

**17.6 million**

identity theft victims in 2014 (7% of US population)\*

**Nearly 400,000 complaints**  
to the FTC in 2016.

\*U.S. Dept. of Justice, Bureau of Justice Statistics, Victims of Identity Theft, 2014 (September 2015)



# Students Should Be Vigilant

- Many students open their first bank account and first credit card in college
- In 2016, nearly 1 in 5 identity theft complaints were filed by individuals under the age of 29\*
- In a survey conducted by Javelin Strategy and Research, 64% of students expressed no concern about identity theft, yet 22% had been notified that they were victims

\*Consumer Sentinel 2016 Databook



# Identity Theft Complaint Trends

	2013	2014	2015	2016
<b>Total Number of Identity Theft Complaints</b>	290,102	332,647	490,220	399,225



# Types of Personal Information

In this age of the internet, mobile devices, cloud computing, and social media, it's vital for everyone to protect their personal information, including:

- Email addresses
- Passwords
- Date of birth
- Social Security number
- Driver's license number
- Mother's maiden name
- Credit card account number
- Bank account number
- Medical information



## Examples of Misuse

- Open Credit Cards
- Open Utility Accounts
- Apply for a Tax Refund
- Get a Loan
- Apply for Employment
- Get Medical Care

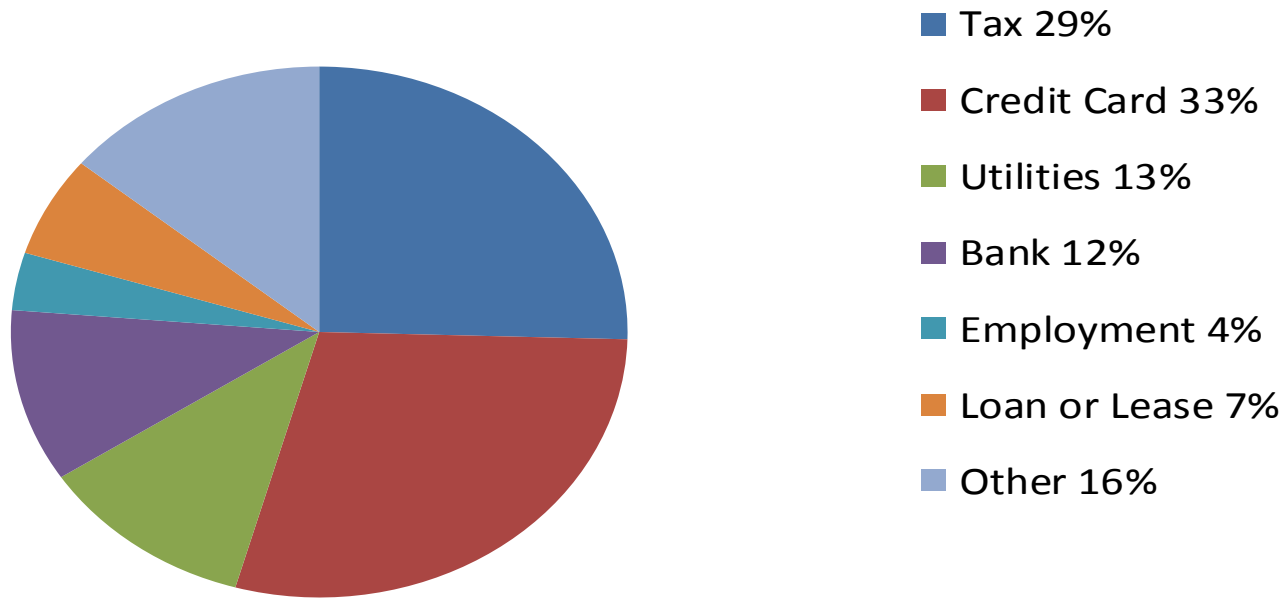


## Impact on Victims

- Denial of credit/loans
- Denial of public benefits
- Denial of medical care
- Denial/loss of employment
- Harassment by debt collectors
- Legal issues/arrest
- Stress/anxiety
- Recovery time/expense



# How Victims' Information is Misused



Consumer Sentinel Data, 2016



# The Financial & Personal Impact of ID Theft

- Denial of credit
- Loss of credit rating
- Harassment by bill collectors
- Lawsuit
- Garnishment
- Time and expense
- Tax problems
- Arrest
- Denial of driver's license renewal
- Loss/denial of employment
- Denial of public benefits
- Denial of medical care



# The Emotional Impact of ID Theft

Victims may experience:

- embarrassment
- sadness
- helplessness
- anger
- isolation
- betrayal
- rage
- suicidal feelings



# Tax Identity Theft

# What Is Tax Identity Theft?

- Filing a fraudulent tax return using another person's Social Security number
- Claiming someone else's children as dependents
- Claiming a tax refund using a deceased taxpayer's information
- Earning wages under another person's Social Security number



# Scope of the Tax ID Theft Problem

## FTC statistics:

- 2016:
  - **33.5%** of all identity theft complaints pertained to taxes or wages
- 2015:
  - **45.3%** of all identity theft complaints pertained to taxes or wages
- 2014:
  - **32.8%** of all identity theft complaints pertained to taxes or wages



# How Does Tax Identity Theft Happen?

# How Does Tax Identity Theft Happen?

- Lost or stolen wallets, Medicare cards, smartphones
- Theft by family, friends, visitors, advisors
- Dumpster diving
- Stolen mail or tax returns
- Imposter scams
- Corrupt insiders
- Corrupt tax preparation services



# How Does Tax Identity Theft Happen Online?

- Data breaches
- Phony emails from imposters
- Unsecure Wi-Fi hotspots
- Peer-to-peer file sharing
- Downloading software or apps from unknown sources



# Warnings Signs of Possible Tax Identity Theft

- Social Security number is lost, stolen, or compromised
- Unusual delay in getting a refund
- IRS notification:
  - duplicate tax return filing
  - unreported income
  - duplicate dependents



# Tax Identity Theft: What to Do

- If you think someone used your SSN for a tax refund or a job — or the IRS sends you a notice or letter indicating a problem — **contact the IRS ID Theft Protection Specialized Unit immediately at 800-908-4490.**
- Specialists will work with you to get your tax return filed, get you any refund you are due, and protect your IRS account from identity thieves in the future.



# Tax Identity Theft: Lessening Your Risk

- file your tax return early in the tax season, if you can, before identity thieves do
- use a secure internet connection if you file electronically.
- mail your tax return directly from the post office
- respond to all mail from the IRS as soon as possible
- know the IRS won't contact you by email, text, or social media. If the IRS needs information, it will first contact you by mail.
- For more tips, please visit [ftc.gov/taxidtheft](https://ftc.gov/taxidtheft)



# Medical Identity Theft

# Medical Identity Theft

- Occurs when a thief uses another's identity or health insurance to receive care
- Dangerous because thief's medical records become merged with victim's records
- May be difficult to remedy because of HIPAA concerns



# Protecting Your Medical Information

- Be wary if someone offers you “free” health services or products, but requires you to provide your health plan ID number.
- Don’t share medical or insurance information by phone or email unless you initiated the contact and know who you’re dealing with.
- Keep paper and electronic copies of your medical and health insurance records in a safe place.



# Protecting Your Medical Information

- Shred outdated health insurance forms, prescription and physician statements, and the labels from prescription bottles before you throw them out.
- Before you provide sensitive personal information to a website that asks for your Social Security number, insurance account numbers, or details about your health, find out why it's needed, how it will be kept safe, whether it will be shared, and with whom. Read the Privacy Policy on the website.



# Detecting Medical Identity Theft

- Read your medical and insurance statements regularly and completely. They can show warning signs of identity theft.
- Read the Explanation of Benefits (EOB) statement or Medicare Summary Notice that your health plan sends after treatment. Check the name of the provider, the date of service, and the service provided. Do the claims paid match the care you received?
- If you see a mistake, contact your health plan and report the problem.



# Detecting Medical Identity Theft

Other signs of medical identity theft include:

- a bill for medical services you didn't receive
- a call from a debt collector about a medical debt you don't owe
- medical collection notices on your credit report that you don't recognize
- a notice from your health plan saying you reached your benefit limit
- a denial of insurance because your medical records show a condition you don't have.



# Correcting Mistakes in Your Medical Records

## Get Copies of Your Medical Records

- **Federal law gives you the right to know what's in your medical files.** Check them for errors. Contact each doctor, clinic, hospital, pharmacy, laboratory, health plan, and location where a thief may have used your information.
- **You may need to pay for copies of your records.** If you know when the thief used your information, ask for records from just that time.



# Correcting Mistakes in Your Medical Records

## **Get an Accounting of Disclosures**

The accounting is a record of who got copies of your records from the provider. The accounting includes details about:

- what medical information the provider sent
- when it sent the information
- who got the information
- why the information was sent



# Correcting Mistakes in Your Medical Records

## Ask for Corrections

- **Write to your health plan and medical providers** and explain which information is not accurate.
- **Send your letter by certified mail, and ask for a “return receipt,”** so you have a record of what the plan or provider received.
- **The health plan or medical provider that made the mistakes in your files must change the information.** It should also inform labs, other health care providers, and anyone else that might have gotten wrong information.



# Child Identity Theft

# Child Identity Theft

- Years ago, any conversation about kids' identities was about sewing name tags in their clothes before they left for summer camp. Times have changed.
- Any parent or guardian of a child knows the milestones that come with turning 16 — learning to drive, maybe dating, or thinking about college. But now, there's one more: **checking their credit report.**



# Child Identity Theft

## Kids turning 16? Check their credit report.

- Right about now, many parents are searching for scholarships and financial aid for our college-bound kids.
- Or maybe your teen is interviewing for his first job or buying her first car.
- In the middle of preparing the paperwork, you might get a nasty surprise: your child's credit report shows unpaid bills and a loan default.

## What?

- Children and young teens aren't even legally able to open credit accounts on their own, so you wouldn't expect them to have a credit report.
- Someone might be using their information for fraud. If so, it's most likely identity theft.



# Child Identity Theft

## The value of a child's Social Security number — to identity thieves

- A child's Social Security number can be used by identity thieves to apply for tax refunds and government benefits, open bank and credit card accounts, apply for loans or utility services, or rent a place to live.



# Child Identity Theft

## When a family member uses a child's identity

- **Here's the good news:** For child identity theft, reporting to the police is not as important as it is for adults.
- **Here's the bad news:** When a parent is involved, the parent would usually be the person who would help the child clear up the identity theft. They are not going to do that if they are the thief.
- **Another thing to keep in mind, especially in low-income families:**  
Sometimes a family member steals a child's identity in order to get the heat turned on or in order to get housing. Clearing up the id theft may cause greater problems for the child than leaving it be.



# Child Identity Theft

## A Special Word about Children in Foster Care

- Every year, more than 26,000 young people age out of foster care.
- In 2011, Congress passed legislation to help youth in foster care better protect their credit.
- When foster youth turn 16, child welfare agencies are **required** to get their annual credit reports. Then, the agencies must help the youths' clear up their credit, in case of identity theft, so they can better launch their lives as independent young adults.
- The FTC worked with ChildFocus, Inc., and the Annie E. Casey Foundation to help them produce the free guide, *Youth and Credit: Protecting the Credit of Youth in Foster Care*.



# Child Identity Theft

## To find out if a child has a credit report

- Contact the three major credit bureaus:
  - Experian.com/fraudalert ; 1-888-397-3742
  - TransUnion.com/fraud ; childidtheft@transunion.com
  - Equifax.com/CreditReportAssistance ; 1-888-766-0008
- Ask them to conduct a **manual search** for the child's Social Security number. Each bureau has its own process for this.
- If a credit bureau has a credit report for your child, they will send you a copy.



# Child Identity Theft

## If a child is a victim of identity theft

### Step One:

- Call the company where the fraud occurred. Explain that someone stole your child's identity and opened a fraudulent account. Explain that your child is a minor, and cannot enter into legal contracts.
- Ask the company to close the fraudulent account and send you a letter confirming that your child isn't liable for the account.
- Send a follow-up letter. Include the [Minor's Status Declaration](#) and a copy of your child's birth certificate.
- Make a note of who you contacted and when, and keep copies of all correspondence.



# Child Identity Theft

## If a child is a victim of identity theft

### Step Two:

- To remove fraudulent accounts, send a letter to each credit bureau indicating that the child is a minor who can't enter into contracts. Include a copy of the child's birth certificate.

### Step Three:

- Request a credit freeze to make it more difficult for someone to use the child's Social Security number to open accounts. To place a freeze, follow the specific instructions for each credit bureau.

### Step Four:

- Report identity theft to the FTC. Go to [IdentityTheft.gov](https://www.identitytheft.gov).



# How To Lessen Your Chance of Being a Victim

# Reducing the Risk of Identity Theft

- **Protect what you have**
  - Minimize personal information in wallets or on smartphones
  - Keep personal information secure - locked
- **Be careful what you share**
  - Don't give info unless you know who's asking and why
  - Don't click on links sent in unsolicited email
- **Monitor**
  - Review mail and financial statements
  - [Annualcreditreport.com](http://Annualcreditreport.com)
- **Dispose properly**
  - Shred



# Preparing and Filing Tax Returns

- **Who?**
  - Know your tax preparer
- **When?**
  - Mail tax returns as early in the tax season as possible
- **How?**
  - If mailing, do not put tax returns in outgoing mail; mail tax returns directly from post office
  - If filing electronically, use a secure network
  - How you file, store returns securely and shred drafts



# Additional Advice for Older Americans

- Protect Medicare card number, which might be SSN
- Protect personal information at home like you would cash or jewelry
- Make sure to open and review your mail and email
- Ask medical and care facilities about their data protection policies
- Select assistants and other support professionals with care



# What to Do If You're a Victim of Identity Theft



# IdentityTheft.gov



Tell us what happened.



Get a recovery plan.



Put your plan into action.





FEDERAL TRADE COMMISSION

IdentityTheft.gov

Log In

En Español

Report identity theft and get a recovery plan

Get Started →

or browse recovery steps

IdentityTheft.gov can help you report and recover from identity theft.

**HERE'S HOW IT WORKS:**



**Tell us what happened.**

We'll ask some questions about your situation. Tell us as much as you can.



**Get a recovery plan.**

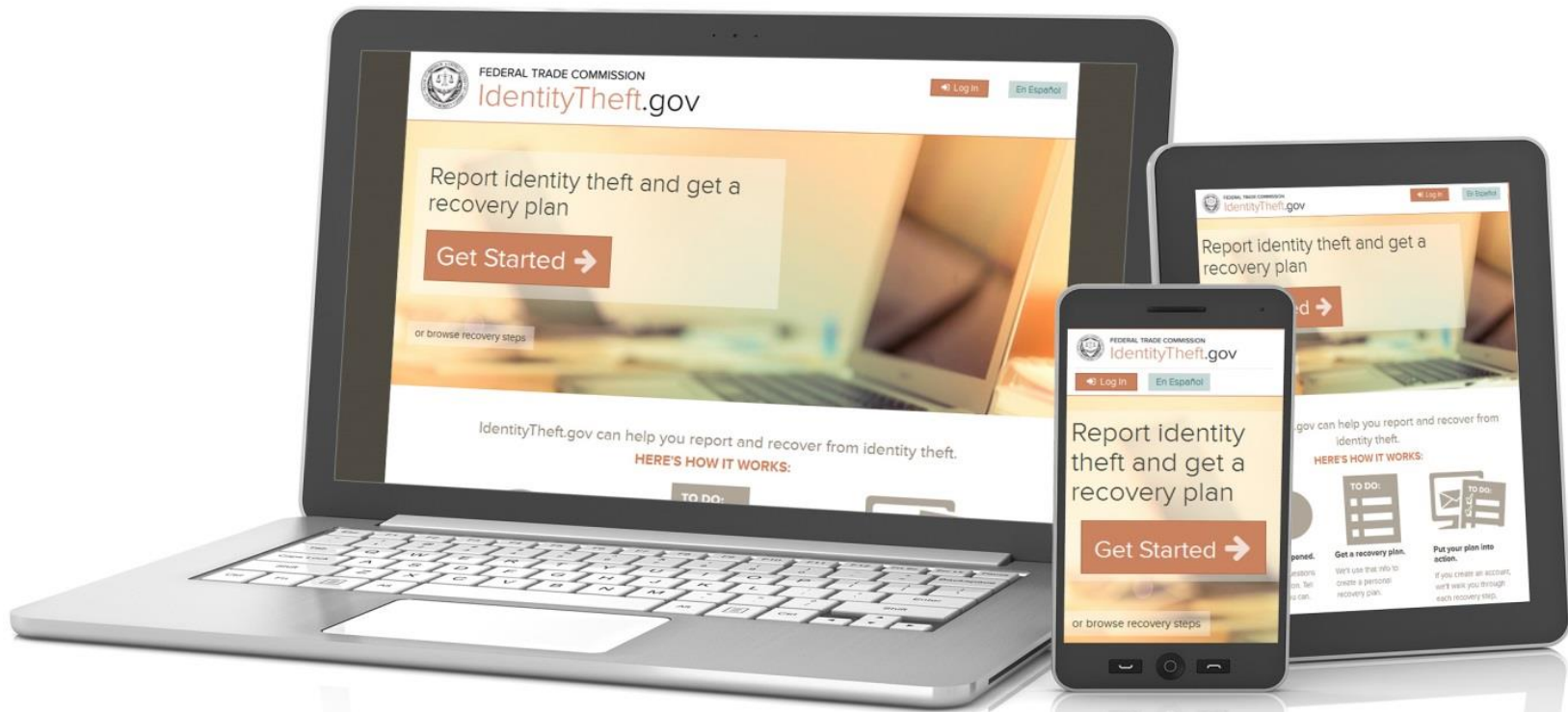
We'll use that info to create a personal recovery plan.



**Put your plan into action.**

If you create an account, we'll walk you through each recovery step, update your plan as needed, track your progress, and pre-fill forms and letters for you.

[Get started now.](#) Or you can [browse a complete list of possible recovery steps](#).



- personal recovery plans
- step-by-step advice
- prefilled forms & letters
- free and secure access
- chat & phone support
- Spanish language site





FEDERAL TRADE COMMISSION

IdentityTheft.gov

Log In

En Esp

Which statement best describes your situation?

I want to report identity theft.



Someone else filed a tax return using my information.



My information was exposed in a data breach.



Someone got my personal information or my wallet, and I'm worried about identity theft.



Something else.





What did the  
identity thief use  
your information  
for?

Select all that apply

☒ Credit card accounts

☐ Telephone, mobile, or utility accounts

☐ Debit, checking, or savings accounts

☐ Employment or taxes

☐ Government benefits or IDs

☐ Loans or leases

☐ Other account types (Internet, insurance, securities, medical, etc.)

[← Previous](#)

[Continue →](#)



FEDERAL TRADE COMMISSION

IdentityTheft.gov

Log In

En Español

1 Theft Details

2 Your Information

3 Suspect  
Information

4 Additional  
Information

5 Comments

6 Review Your  
Complaint

## Report Identity Theft to the FTC

Next, we are going to ask for specific details. We will use the information you provide to create your:

Identity Theft Affidavit



&

Recovery Plan



This will help you fix problems caused by identity theft.

Continue →

### How we handle your information

It's up to you to determine how much personal information you want to provide. The FTC enters this information into a secure online database that law enforcement agencies use in their investigations.

Please read our [Privacy Policy](#) to learn more about how we safeguard your personal information.

← Start Over



FEDERAL TRADE COMMISSION

# Identity Theft Report

FTC Report Number:  
665-783

I am the victim of Identity theft. This is my official statement about the crime.

## Contact Information

Jane May Smith  
100 Main Street  
Washington, DC 20405

202-876-5309  
jane.smith@email.com

## Personal Statement

I received a credit card bill from Chase, even though I've never had a credit card with Chase. I called and the bank said I needed to fill out an identity theft report. Just a few days later, I got a call from Verizon about buying a new iPhone. I told them I didn't buy an iPhone. Someone else had gone to a store in New Jersey and added two new lines to my account.

## Accounts Affected by the Crime

Credit card opened by the thief		
Company or Organization: Chase		
Account Number: 988889888		
Date fraud began	Date that I discovered it	Total fraudulent amount
1/15/16	3/15/16	\$400

Mobile phone with fraudulent charges (account takeover)		
Company or Organization: Verizon Wireless		
Account Number: 54-70000089		
Date fraud began	Date that I discovered it	Total fraudulent amount
1/15/16	3/15/16	\$900



## Your Report is not submitted yet.

Almost Done! We recommend creating a **free account** so you can:

- Get a **personal recovery plan** that tracks your progress
- Print **prefilled** letters & forms
- Return anytime to **update and view** your affidavit
- **Save time** if this ever happens again

Yes, submit and create account →

No thanks, submit without an account

I understand that I will **NOT** be able to make updates.

Instead, I will receive a **one-time copy** of my affidavit and recovery plan.



## Great. Your account has been created!

Here's your personal recovery plan. We'll guide you through each step.

Ok, Got It

## Your Recovery Plan

Print

Contact the IRS.



Place a fraud alert on your credit reports.



Review your credit reports for fraudulent information on



Consider placing an extended fraud alert or credit freeze.



Hide Completed Items

# FREE Resources

# Identity Theft

## FREE Resources for Consumers

- [IdentityTheft.gov](https://IdentityTheft.gov) is the federal government's one-stop resource for identity theft victims. The site provides streamlined checklists and sample letters to guide you through the recovery process.
- Visit [ftc.gov/idtheft](https://ftc.gov/idtheft) for prevention tips and free resources to share in your community.
- Visit [ftc.gov/taxidtheft](https://ftc.gov/taxidtheft) for information about Tax Identity Theft Awareness Week
- Order Free FTC Resources at [bulkorder.ftc.gov](https://bulkorder.ftc.gov)
- Watch/embed Videos at [www.consumer.ftc.gov/media](https://www.consumer.ftc.gov/media)
- Stay Connected at [ftc.gov/subscribe](https://ftc.gov/subscribe) for FTC consumer & business blogs, press releases, & more.
- The Annie E. Casey Foundation — *Youth and Credit: Protecting the Credit of Youth in Foster Care* — [aecf.org/resources/youth-and-credit](https://aecf.org/resources/youth-and-credit)



# Data Security

## FREE Resources for Businesses

- Many companies keep sensitive information about customers or employees in their files or on their network.
- The FTC has free data security resources — including free publications, videos, and tutorials — to help businesses of any size protect their customers and meet their legal obligations.
- For more information, please visit: [ftc.gov/datasecurity](https://ftc.gov/datasecurity)



# Upcoming Events

# Planning for the Future: A Conference About Identity Theft

- **What:** The FTC will host a full-day conference, examining the state of ID Theft now and how it may evolve in the future.
- The conference will bring together academics, business and industry representatives, government experts and consumer advocates to discuss the ways in which ID Theft theft affects consumers and how that has changed in the last decade.
- **When:** May 24, 2017 at 8:00AM
- **Where:** Constitution Center, 400 7th St SW, Washington, DC 20024.
- **For more Information:** Visit [ftc.gov](http://ftc.gov) and scroll down to **Upcoming Events**



# Identity Theft:

## What to Know. What to Do.

# Questions?

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